Disinvestment of PSUs

8. SHRIBHAG ATRAM MANHAR:
SHRIRAJUPARMAR:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have approved disinvestment of saveral Public Sector Undertakings (PSUs) recently; and

(b) if so, the names of the PSUs approved for disinvestment and by when the process of disinvestment will be completed?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b)Yes, Sir. The Government has approved for disinvestment in Air India Ltd., Bharat Heavy Plates & Vessels Ltd. (BHPV), Engineering Projects India Ltd., Hindustan Cables Ltd., Hindustan Copper Ltd. (Phase I), Hindustan Organic Chemicals Ltd., Hindustan Salts Ltd., Hindustan Zinc Ltd., IBP Co. Ltd., India Petrochemicals Corporation Ltd., (IPCL), IndiaTourism Development Corporation (ITDC), Indian Airlines Ltd., Instrumentation Control Valves Ltd., (ICVL), Jessop & Co. Ltd., Madras Fertilizers Ltd., Maruti Udyog Ltd., NEPA Ltd., National Fertilizers Ltd., Pradeep Phosphates Ltd., Spong Iron India Ltd., State Trading Corporation, Mineral & Metals Trading Coprporation Ltd., Tungbhadra Steel Products Ltd., MECON Ltd., and Videsh Sanchar Nigam Ltd. (VSNL). Out of these, the disinvestment process in HTL Ltd., CMC Ltd., has been completed. The disinvestment process in ITDC (1st tranche) & Hotel Corporation of India Ltd., have also been partially completed. Other Companies slated for disinvestment during the year 2001-2002, include Bharat Heavy Plates & Vessels Ltd. (BHPV), IBP Co. Ltd., Indian Petrochemicals Corporation Ltd. (IPCL), India Tourism Development Croporation (ITDC), Instrumentation Control Valves Ltd. (ICVL), Hindustan Zinc Ltd., Jessop & Cop. Ltd., Maruti Udyog Ltd., NEPA Ltd. andVidesh Sanchar Nigam Ltd. (VSNL).

Setback to Al disinvestment

9. SHRI PREM CHAND GUPTA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that the plan for the disinvestment of Al has suffered a setback due to Singapore Airlines pulling out of the bid due to their unhappiness over the political opposition to the disinvestment process of Air India;

(b) whether it is also a fact that while Tata & Sons are carrying out a re-evaluation of the situation in terms of financial vability, they wish to continue and are in search of a willing international partner; and

(c) if so, the latest position of the case?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) The Air India disinvestment did suffer a setback due to Singapore Airlines Limited (SIA) pulling out of the bidding process. The reasons stated by SIA for their withdrawal are:

i. Intensity of opposition to the privatisation of Air India from various quarters including certain sections of political groups, trade unions and the media;

ii. Slowdown of the world economy affecting the international airline business; and

iii. SOA's investments in Australasia demanding more attention and requiring commitment of substantial financial resources.

(b) and (c) Tata Sons Limited have inimated that in the light of SIA's decision to withdraw from the Tata-SIA consortium, they are assessing the new situation following which they will revert to the Government in the matter. So far, Government has not received any response from Tata Sons Limited.

Disinvestment process *vis-a-vis* global economy

10. SHRI PREMCHAND GUPTA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that in the present situation, with the stock market indices hovering around a ten years low levels and the global economy on the brink of recession, the decision to push for disinvestment process is not economically sound; and

(b) if so, Government's views in this regard?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) No, Sir.

(b) In case of strategic sale of PSUs, the strategic partners are expected to take a long-term view of the company. The decisioon to disinvest is taken and the mode and timing of disinvestment finalised keeping all relevant considerations in mind.